



To: Senate Commerce Committee
From: Kevin Walker, Senior Vice President of Public Policy
Overland Park Chamber of Commerce
Date: 13 March 2020

Senator Lynn and Members of the Committee:

On behalf of the more than 800 business members of the Overland Park Chamber of Commerce I appreciate the opportunity to submit testimony in support of HB 2702.

Economic development professionals across the state are committed to helping grow the Kansas economy. We do that through targeted recruitment of new employers to the state while also working with existing companies and industries to help them grow. To support these efforts, we utilize several important economic development tools. Among them are the Kansas Industrial Training Program (KIT); the Kansas Industrial Retraining Program (KIR) and the High-Performance Incentive Program (HPIP).

KIT is used to assist companies in creating jobs. The program supports training for workers who require specialized job knowledge and skill sets. This training affords the new employees the opportunity to get up-to-speed quickly on their job duties. KIR, on the other hand, is more of a job retention tool that allows workers to receive training to learn new job skills as their jobs evolve with advances in technology and procedures.

HPIP has been a popular and successful economic development tool in Kansas. This program provides tax incentives to employers that pay above-average wages and have a strong commitment to skills development for their workers. HPIP is especially important as it encourages companies to invest in capital for facilities and technology.

These three programs have become linked. While that linkage has been effective, we don't think it is optimal. This bill helps decouple the programs and allows each of them to function independently thus maximizing the strengths of each of them.

By decoupling the programs, a more targeted approach is possible to meet the goals of each program. Funding for KIT & KIR can be used more effectively across the state on projects where companies are focused on training employees.

We encourage the committee to support HB 2702.